

**CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE MEMBERS OF NIIT TECHNOLOGIES LIMITED HAVING REGISTERED OFFICE AT 8, BALAJI ESTATE, THIRD FLOOR, GURU RAVI DAS MARG, KALKAJI, NEW DELHI 110019 THROUGH POSTAL BALLOT, CONCLUDED ON THURSDAY, FEBRUARY 13, 2020 AND THE RESULT OF WHICH WAS DECLARED ON SATURDAY, FEBRUARY 15, 2020**

**ITEM No. 01**

**BUY-BACK OF EQUITY SHARES OF THE COMPANY THROUGH TENDER OFFER ROUTE**

**“RESOLVED THAT** pursuant to Article 126 of the Articles of Association of the Company and provisions of Section 68, 70, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the **“Act”**), Companies (Share Capital and Debentures) Rules, 2014 (**“Share Capital Rules”**) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) to the extent applicable, and in compliance with Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended from time to time (**“Buyback Regulations”**), and subject to such approvals, permission and sanctions as may be required and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, sanctions and permissions, which may be agreed by the Board of Directors of the Company (hereinafter referred to as the **“Board”**, which shall include any committee constituted/ to be constituted by the Board of Directors of the Company to exercise powers conferred by this resolution), consent of the Members be and is hereby accorded for buyback of up to 19,56,290 (Nineteen Lakhs Fifty Six Thousand Two Hundred Ninety Only) fully paid up equity shares (representing up to 3.13% of the paid up equity share capital of the Company) of face value of INR10/- each (hereinafter referred to as the **“Equity Shares”** or **“Shares”**) at a price of INR 1,725/- per Share (Rupees One Thousand Seven Hundred Twenty Five only) (**“Buyback Price”**) payable in cash for an aggregate amount not exceeding INR 3,37,46,00,250/- (Rupees Three Hundred Thirty Seven Crores Forty Six Lakhs and Two Hundred Fifty only) (**“Buyback Size”**), excluding brokerage, transactional charges and taxes (if any), which is less than 25% of the paid up share capital and free reserves of the Company as per the audited financial results of the Company, on a standalone and consolidated basis, for the year ended March 31, 2019, out of the free reserves of the Company or such other source may be permitted by the Buyback Regulations or the Act, from the Members of the Company, as on record date, on a proportionate basis through **“tender offer”** route as prescribed under the Buyback Regulations (**“Buyback”**).

**RESOLVED FURTHER THAT** the Buyback shall be implemented using the **“Mechanism for acquisition of shares through Stock Exchange”** notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 read with the **“Streamlining the Process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buyback and Delisting of Securities”** as prescribed under the SEBI Circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, including any amendments for the time being in force.

NIIT Technologies Ltd.

Special Economic Zone, Plot No. TZ-2 & 2A, Sector Tech Zone, Greater Noida (UP) -201308, India. Tel.: +91 120 4592 300, Fax: +91 120 4592 301 www.niit-tech.com  
Registered Office : 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi - 110 019, India.

CIN : L65993DL1992PLC048753



**RESOLVED FURTHER THAT** the Company may buyback shares from the existing Members of the Company as on record date on a proportionate basis, provided that 15% of the number of Shares under the Buyback or the number of shares entitled as per the shareholding of small Shareholders, whichever is higher, shall be reserved for small Shareholders as prescribed under Regulation 6 of the Buyback Regulations.

**RESOLVED FURTHER THAT** the Buyback of Shares from the non-resident Members of the Company, including Overseas Corporate Bodies (OCBs), Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs), Members of foreign nationality, etc., shall be subject to such approvals if and to the extent necessary or required including approvals from the Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) and rules and regulations framed thereunder, and that such approvals shall be required to be taken by such non-resident Members.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power(s) conferred herein above as it may in its absolute discretion deem fit, to any Director(s) / Officer(s) / Authorised Representative(s) / Committee of the Company ("**Buyback Committee**") in order to give effect to the aforesaid resolutions, including but not limited to finalizing the terms of the Buyback including the record date, entitlement ratio, the timeframe for completion of Buyback, and the appointment of brokers, solicitors, depository participants, escrow agents, advertising agencies and other advisors / consultants / intermediaries / agencies, as may be required, for the implementation of the Buyback; and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from the Securities and Exchange Board of India, Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation, signing, issuing and filing of the public announcement, the draft letter of offer/letter of offer and all other offer documents with respect to the Buyback with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities, if required; and to obtain all necessary certificates and reports from the statutory auditors and other third parties as required under applicable law; and to enter into escrow arrangements and appoint escrow agents as required or desirable in terms of the Buyback Regulations; and to open, operate and close all necessary accounts including escrow account, special payment account, demat escrow account, broker trading account as required or desirable in terms of the Buyback Regulations; and for the extinguishment of dematerialized shares and physical destruction of share certificates in respect of the Equity Shares bought back by the Company; and to provide, finalise, execute and file such other undertakings, agreements, documents and correspondence, in connection with the Buyback with the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges, Registrar of Companies, depositories or other authorities or third persons as may be required from time to time as may be required, desirable or considered expedient for the implementation of the Buyback.

**RESOLVED FURTHER THAT** nothing contained herein shall confer any right on the part of any member to offer and/or any obligation on the part of Company or the Board to Buyback any Shares, and/or impair any power of the Company or the Board to terminate any process in relation to the Buyback, if so permissible by law.



**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and the Buyback Committee be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

For **NIIT Technologies Limited**



**Lalit Kumar Sharma**  
**Company Secretary & Legal Counsel**  
**FCS No. : 6218**





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 AND 110 OF THE COMPANIES ACT, 2013**

**ITEM NO. 1**

With an objective of rewarding Members of the Company, through return of surplus cash, the Board of Director of the Company ("**Board of Directors**") at its meeting held on December 23, 2019, subject to approval of the shareholders by means of a special resolution through postal ballot and regulatory approval(s) as may be required, approved the proposal of buy-back of up to 19,56,290 fully paid equity shares of a face value of INR 10/- each at a price of up to INR1,725/- (Rupees One Thousand Seven Hundred Twenty Five Only) per share aggregating up to INR 3,37,46,00,250/- (Rupees Three Hundred Thirty Seven Crores Forty Six Lakhs and Two Hundred Fifty only) which represents 20.23% of the paid-up share capital and free reserves of the Company. The Buyback is proposed to be made from the shareholders of the Company as on the Record Date on a proportionate basis under the tender offer route through Stock Exchange mechanism in accordance with the provisions of the Buyback Regulations as amended from time to time.

Since the Buyback constitutes more than 10% of the total paid-up equity capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the shareholders of the Company, for the Buyback by way of a special resolution. Further, as per Section 110 of the Act read with Rule 22(16)(g) of the Rules, the consent of the shareholders of the Company to the Buyback can be obtained by means of postal ballot. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the resolution appended to this Postal Ballot Notice.

Requisite details relating to the Buyback are given below:

**(1) Objective/Necessity of the Buyback**

The Company has accumulated free reserves and satisfactory liquidity as represented by bank balances and marketable securities. The future generation of cash along with borrowings, if any, will support the resources required for investments and other operational requirements of the Company in coming years. The proposed Buyback provides an opportunity to the Company to return the excess cash to the Shareholders and to enhance the overall Shareholders' value. The Board of Directors at its meeting held on December 23, 2019, considered the accumulated free reserves as well as the cash liquidity as on March 31, 2019 and as such, the Board decided to allocate a sum of not exceeding INR 3,37,46,00,250/- (Rupees Three Hundred Thirty Seven Crores Forty Six Lakhs and Two Hundred Fifty only) for distributing to the Members holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the Members holding equity shares of the Company, the Board of Directors decided to recommend the Buyback of up to 19,56,290 fully paid up equity shares of INR10/- each (representing up to 3.13% of the total number of equity shares in the paid-up equity share capital of the Company) at a price of INR 1,725/- per Share (Rupees One Thousand Seven Hundred Twenty Five only) per equity share of INR10 each for an aggregate consideration not exceeding not exceeding INR 3,37,46,00,250/- (Rupees Three Hundred Thirty Seven Crores Forty Six Lakhs and Two Hundred Fifty only), which represents 20.23% and 15.66% of the total paid up share capital and free reserves of the Company on a

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standalone and consolidated basis respectively. The Buyback is being proposed by the Company to return surplus fund to the Shareholders, which are over and above its ordinary capital requirements and in excess of any current investment plans, in an expedient, efficient and cost effective manner. Additionally, the Company's management strives to increase Shareholder's value and the Buyback would result in, amongst other things:

- (a) The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in Shareholders' value;
  - (b) The Buyback will help the Company to distribute surplus cash to its Members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to Members;
  - (c) The Buyback gives an option to the Shareholders holding Equity Shares of the Company to either (i) participate and receive cash payments in lieu of Equity Shares to be accepted under the Buyback, or (ii) not participate and enjoy a resultant increase in their percentage shareholding in the Company, after the Buyback, without any additional investment; and
  - (d) The Buyback, which is being implemented through the tender offer route as prescribed under the Buyback Regulations, would involve an allocation of 15% of the offer size to small Shareholders in accordance with the Buyback Regulations.
- (2) Class of shares, number intended to be purchased, price per share, source of funds and basis of determining the price**

Class of Shares	: Equity
Face Value	: INR 10/- each
Proposed Buyback Price per Share	: INR 1,725/- each
Total (maximum amount required under the Buyback)	: INR 3,37,46,00,250/-
As a % of paid-up equity share capital and free reserves of the Company	: 20.23%
Maximum number of Equity Shares proposed to be bought back	: 19,56,290 equity shares
As a % of paid-up equity share capital	: 3.13%

**Basis of determining the price of the Buyback:**

The Equity Shares of the Company are proposed to be bought back at a price of INR 1,725 per share

("Offer Price"). The Offer Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") where the Equity Shares are listed, the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Share.

**The Offer Price represents:**

- (i) Premium of 17.11% and 17.08% over the closing price of the Equity Shares on BSE and on NSE, respectively, as on December 16, 2019, being the date on which



Company intimated the Stock Exchanges the intention to consider the proposal for buyback of shares at the Board Meeting scheduled on December 23, 2019.

- (iii) Premium of 18.13% and 18.39% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the three months preceding December 16, 2019, being the date on which Company intimated the Stock Exchanges the intention to consider the proposal for buyback of shares at the Board Meeting scheduled on December 23, 2019.

The Company confirms that consequent to the Buyback, the ratio of the aggregate of secured and unsecured debts owned by the Company will not be more than twice of the paid-up share capital and free reserves after the Buyback.

Source of funds:

The funds for the implementation of the proposed Buyback will be sourced out of the free reserves of the Company or such other source may be permitted by the Buyback Regulations or the Act. The funds used will not exceed 25% of the paid-up share capital and free reserves of the Company on a standalone and consolidated basis as on March 31, 2019.

The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and details of such transfer shall be disclosed in its subsequent audited financial statement. The funds borrowed, if any, from Banks and Financial Institutions will not be used for the Buyback.

**(3) Method adopted for Buyback**

The Buyback shall be on a proportionate basis from all the Members holding equity shares of the Company by adopting "tender offer" route as prescribed under the Buyback Regulations through, to the extent permissible, the "Mechanism for acquisition of shares through Stock Exchanges" as prescribed under the SEBI Circular CIR/CFD/ POLICYCELL/1/2015 dated April 13, 2015 read with "Streamlining the Process for Acquisition of Shares pursuant to Tender-Offers made for Takeovers, Buy Back and Delisting of Securities" as prescribed under the SEBI Circular CFD/DCR2/CIR/P/ 2016/131 dated December 9, 2016 ("**SEBI Circular**"). The Buyback will be implemented in accordance with the Buyback Regulations, the Act and relevant rules made thereunder to the extent applicable, and on such other terms and conditions as may be deemed fit by the Company.

The Company will announce a record date (the "**Record Date**") for determining the names of the Members holding equity shares of the Company who would be eligible to participate in the Buyback (the "**Eligible Shareholders**").

Subsequent to the approval of the Shareholder via Special Resolution under this Postal Ballot Notice and approval of SEBI, Eligible Shareholders will receive Letter of Offer along with Tender/Offer Form indicating their entitlement. The equity shares to be bought back as a part of the Buyback is divided into two categories:-

1. Reserved category for small Shareholders; and
2. General category for all other Shareholders

**NIIT Technologies Ltd.**





A “small shareholder” in accordance with Regulation 2(i)(n) of the Buyback Regulations is a shareholder who holds equity shares having market value, on basis of closing price on the stock exchange having highest trading volume as on Record Date, of not more than INR 2,00,000.

In terms of Regulation 6 of the Buyback Regulations, 15% of the number of equity shares which the Company proposes to Buyback or such number of equity shares entitled as per the shareholding, whichever is higher, shall be reserved for small Shareholders.

Shareholders’ participation in Buyback will be voluntary. Eligible Shareholder(s) holding Equity Shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate. Eligible Shareholder(s) holding Equity Shares of the Company may also accept a part of their entitlement. Eligible Shareholder(s) holding equity shares of the Company also have the option of tendering additional shares (over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any.

The equity shares tendered as per the entitlement by Eligible Shareholder(s) holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buyback Regulations. The settlement of the tenders under the Buyback will be done using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI Circular.

Detailed instructions for participation in the Buyback along with the relevant time table will be included in the Letter of Offer which will be sent to all the Eligible Shareholders as on Record Date in due course.

#### **(4) Time limit for completion of Buyback**

The Buyback, subject to regulatory consents and approvals, if any, is proposed to be completed within a period of 1 year from the date of the special resolution approving the Buyback.

#### **(5) Compliance with Section 68(2)(c) of the Act**

The aggregate paid-up share capital and free reserves of the Company as at March 31, 2019 is INR 16,680 Million (Rupees Sixteen Thousand Six Hundred Eighty Million only) on a standalone basis and INR 21,556 Million (Rupees Twenty One Thousand Five Hundred Fifty Six Million only) on a consolidated basis. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up share capital and free reserves of the Company i.e. up to INR 4,170 Million (Rupees Four Thousand One Hundred and Seventy Million only). The maximum amount proposed to be utilized for the Buyback is up to 3,37,46,00,250 (Rupees Three Hundred Thirty Seven Crores Forty Six Lakhs and Two Hundred Fifty only) and is therefore within the limit of up to 25% of the Company’s total paid-up share capital and free reserves as per the audited financial results, on a standalone and consolidated basis, for the year ended March 31, 2019.



**(6) Details of shareholding**

(a) The aggregate shareholding of the promoter and the promoter group of the Company, the directors of the promoter of the Company, directors and key managerial personnel of the Company as on the date of this notice is set out below:

Particulars	Aggregate Shareholding (No. of shares)	Percentage of the paid-up share capital
1. Promoters		
Hulst B.V.	4,38,07,297	70.12%
2. Directors of the promoter	Nil	Nil
3. Directors & Key Managerial Personnel of the Company		
Directors		
a. Mr. Basab Pradhan - Chairman and Independent Director	3,000	0.00%
b. Mr. Hari Gopalakrishnan - Non-Executive Director	NIL	NIL
c. Mr. Patrick John Cordes - Non-Executive Director	NIL	NIL
d. Mr. Kenneth Tuck Kuen Cheong - Non-Executive Director	NIL	NIL
e. Mr. Kirti Ram Hariharan - Non-Executive Director	NIL	NIL
f. Mr. Ashwani Kumar Puri - Independent Director	NIL	NIL
g. Ms. Holly Jane Morris - Independent Director	NIL	NIL
Key Managerial Personnel		
a. Mr. Sudhir Singh - Chief Executive Officer	63,651	0.10%
b. Mr. Ajay Kalra - Chief Financial Officer	NIL	NIL
c. Mr. Lalit Kumar Sharma - Company Secretary and Legal Counsel	NIL	NIL

(b) The aggregate number of equity shares purchased or sold by person mentioned in (a) above for a period of 6 months preceding the date of the meeting of the Board of Directors at which the Buyback was approved:

The Promoter has acquired 4,38,07,297 Equity Shares. Please refer to Sr. No. 7 below. Mr. Basab Pradhan, Chairman, has acquired 3,000 equity shares of the Company & Mr. Sudhir Singh, CEO has sold 72,349 equity shares of the Company in Open Offer and acquired 58,000 equity shares by way of exercise of ESOP in the last preceding 6 months. No other persons mentioned in (a) above have purchased or sold equity shares of the Company during this period.





(c) The aggregate number of equity shares purchased or sold by person mentioned in (a) above for the period between the date of meeting of the Board of Directors at which the Buyback was approved and the date of this postal ballot notice:

The persons mentioned in (a) above have not bought or sold any shares between the date of the meeting of the Board of Directors at which the Buyback was approved and the date of this postal ballot notice.

(d) The maximum and minimum price at which purchases or sales referred in (b) and (c) above were made along with relevant dates:

**Promoters:**

Date of Transaction	Nature of Transaction	Number of Equity Shares	Maximum / Minimum Consideration (Amount in INR per share)	Face Value (Amount in INR)
May 10, 2019	On Market Purchase	4,63,219	1,239.91 (Minimum Consideration)	10
May 17, 2019	Off-Market Purchase from erstwhile promoters	1,88,48,118	1,394.00 (Maximum Consideration)	10
August 9, 2019	Acquisition under Open Offer	2,18,46,963	1,394.00 (Maximum Consideration)	10

For the details of acquisitions made by the Promoter, please refer to Sr. No. 7 below.

**Directors and Key Managerial Personnel:**

Date of Transaction	Nature of Transaction	Number of Equity Shares	Consideration (Amount in INR per share)	Face Value (Amount in INR)
Mr. Basab Pradhan (Chairman)				
August 16, 2019	Open Market purchase	3,000	1,297.07	10
Mr. Sudhir Singh (Chief Executive Officer)				
August 9, 2019	Sale in the open offer	72,349	1,394.00	10
December 17, 2019	Exercise of ESOP	58,000	10	10

**(7) Intention of the Promoter to participate**

Hulst B.V. is the promoter of the Company.



Hulst B.V., has vide its letter dated December 24, 2019 expressed its intention to participate in the Buyback and offer up to an aggregate of 19,56,290 equity shares or such lower number of equity shares in accordance with Buyback Regulations.

Details of the date and price of acquisition of the Equity Shares that the Promoter intends to tender are given below:

**Hulst B.V.**

Date of Transaction	Nature of Transaction	No. of Equity Shares	Consideration (Amt. in INR per Share)	Face Value (Amt. in INR)
May 10, 2019	On Market Purchase	4,63,219	1,239.91	10
May 13, 2019	On Market Purchase	1,28,000	1,250.11	10
May 14, 2019	On Market Purchase	50,000	1,251.81	10
May 15, 2019	On Market Purchase	63,000	1,260.82	10
May 17, 2019	Off – Market Purchase from erstwhile promoters	1,88,48,118	1,394.00	10
May 20, 2019	On Market Purchase	23,879	1,272.00	10
May 21, 2019	On Market Purchase	1,23,113	1,285.25	10
May 22, 2019	On Market Purchase	98,100	1,279.84	10
May 23, 2019	On Market Purchase	46,000	1,286.60	10
May 24, 2019	On Market Purchase	1,60,000	1,267.23	10
May 27, 2019	On Market Purchase	65,000	1,275.29	10
May 28, 2019	On Market Purchase	1,70,168	1,270.31	10
May 29, 2019	On Market Purchase	1,85,000	1,286.89	10
May 30, 2019	On Market Purchase	27,490	1,294.95	10
June 6, 2019	On Market Purchase	6,559	1,298.92	10
June 19, 2019	On Market Purchase	20,808	1,301.16	10
June 20, 2019	On Market Purchase	33,190	1,303.94	10
June 21, 2019	On Market Purchase	2,14,432	1,307.44	10
June 24, 2019	On Market Purchase	1,35,729	1,316.60	10
June 25, 2019	On Market Purchase	75,949	1,320.63	10
June 26, 2019	On Market Purchase	34,924	1,330.20	10
June 27, 2019	On Market Purchase	2,80,834	1,332.76	10
June 28, 2019	On Market Purchase	3,32,591	1,341.31	10
August 8, 2019	On Market Purchase	1,28,319	1,251.34	10



August 9, 2019	On Market Purchase	1,59,000	1,291.21	10
August 9, 2019	Acquisition under Open Offer	2,18,46,963	1,394.00	10
September 27, 2019	On Market Purchase	41,749	1,391.28	10
September 30, 2019	On Market Purchase	45,163	1,392.51	10
<b>Total no. of shares as on the date hereof</b>		<b>4,38,07,297</b>	-	<b>10</b>

#### (8) Defaults

The Company confirms that there are no defaults subsisting in repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

#### 9) Confirmations from the Company

- (a) All the Equity Shares for Buyback are fully paid-up;
- (b) The Company, as per provisions of Section 68(8) of the Act, shall not make further issue of the same kind of Equity Shares within a period of 6 (six) months after the completion of the Buyback except by way of bonus shares or Equity Shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into Equity Shares;
- (c) The Company shall not raise further capital for a period of 1 (one) year from the closure of the Buyback, except in discharge of subsisting obligations;
- (d) The Company shall not issue and allot any Equity Shares or other specified securities including by way of bonus, till the date of expiry of Buyback period;
- (e) The Company shall not Buyback locked-in Equity Shares and non-transferable equity shares till the pendency of the lock-in or till the Equity Shares become transferable;
- (f) The Company shall not buy back its Equity Shares from any person through negotiated deal whether on or off the stock exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
- (g) There are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of any term loans to any financial institution or banks;
- (h) That the Company has been in compliance with Sections 92, 123, 127 and 129 of the Act;
- (i) That funds borrowed from Banks and Financial Institutions will not be used for the Buyback;
- (j) The aggregate amount of the Buyback i.e. INR 3,37,46,00,250/- does not exceed 25% of the total paid-up capital and free reserves of the Company as on March 31, 2019 on a standalone and consolidated basis;





- (k) The maximum number of Equity Shares proposed to be purchased under the Buyback (up to 19,56,290 Equity Shares), does not exceed 25% of the total number of Equity Shares in the paid-up Equity Share capital as per the audited standalone balance sheet as on March 31, 2019;
- (l) The Company shall not make any offer of buyback within a period of 1 (one) year reckoned from the date of closure of the Buyback and the Company has not undertaken a buyback of any of its securities during the period of 1 year immediately preceding the date of this board meeting;
- (m) There is no pendency of any scheme of amalgamation or compromise or arrangement pursuant to the provisions of the Act, as on date;
- (n) The ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up share capital and free reserves after the Buyback;
- (o) The Company has not defaulted in the repayment of deposits accepted either before or after the commencement of the Act, interest payment thereon, redemption of debentures or preference shares or payment of dividend to any Shareholder, or repayment of any term loan or interest payable thereon to any financial institution or banking company;
- (p) The Buyback shall be completed within a period of 1 year from the date of passing of special resolution by way of postal ballot; the Company shall not withdraw the Buyback offer after the draft letter of offer is filed with the SEBI or the public announcement of the offer of the Buyback is made, except where any event or restriction may render Company unable to effect Buyback;
- (q) The Company is not undertaking the Buyback to delist its Equity Shares or any other specified securities from the stock exchanges; and
- (r) Consideration of the Equity Shares bought back by the Company will be paid only by way of cash.

**(10) Confirmation from the Board**

The Board of the Directors has confirmed that it has made Board of Directors has made full enquiry into the affairs and after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, the Board has formed an opinion:

1. That immediately following the date of the board meeting, being December 23, 2019, and the date on which the results of the postal ballot approving the proposed Buyback will be declared ("**Postal Ballot Resolution**"), there will be no grounds on which the Company could be found to be unable to pay its debts.
2. As regards to the Company's prospects for the year immediately following the date mentioned in (1) above, having regards to the Board of Directors' intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board of Directors' view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date or the Postal Ballot Resolution.



3. That in forming the opinions for the above purposes, the directors have taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016.

**(11) Report addressed to the Board of Directors by the Company's Auditors on permissible capital payment and opinion formed by directors regarding insolvency**

The text of the Report from the Company's Auditors dated December 23, 2019 addressed to the Board is reproduced below:

**Independent Auditor's Report on buy back of shares pursuant to the requirement of Schedule I to the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 as amended**

The Board of Directors  
NIIT Technologies Limited  
8, Balaji Estate, First Floor,  
Guru Ravi Das Marg  
Kalkaji, New Delhi - 110019

1. This Report is issued in accordance with the terms of our service scope letter engagement letter dated December 19, 2019 and master engagement agreement October 04, 2017 with NIIT Technologies Limited (hereinafter the "Company").
2. In connection with the proposal of NIIT Technologies Limited ("**the Company**") to buy back its equity shares in pursuance of the provisions of Section 68, 69 and 70 of the Companies Act, 2013 ("**the Act**") and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("**the Regulations**"), and in terms of the resolution passed by the directors of the Company in their meeting held on December 23, 2019, which is subject to the approval of the shareholders of the Company, we have been engaged by the Company to perform a reasonable assurance engagement on the Statement of determination of the amount permissible capital payment (the "**Statement**"), which we have initialed for identification purposes only.  
**Board of Directors Responsibility for the Statement**
3. The preparation of the Statement of determination of the amount permissible capital payment for the buyback is the responsibility of the Board of Directors of the Company, including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of Directors are responsible to make a full inquiry into the affairs and offer document of the Company and to form an opinion that the Company will not be rendered insolvent within a period of one year from the date of meeting.



**Auditor's Responsibility**

5. Pursuant to the requirements of the Regulations, it is our responsibility to provide reasonable assurance on the following "Reporting Criteria":
  - (i) Whether the amount of permissible capital payment for the buy-back is within the permissible limit and computed in accordance with the provisions of Section 68(2)(c) of the Act;
  - (ii) Whether the Board of Directors has formed the opinion, as specified in Clause (X) of Schedule I to the Regulations, on a reasonable ground that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution, and from date on which the results of the shareholders' resolution with regard to the proposed buy-back are declared;
  - (iii) Whether we are aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.
6. The audited standalone and consolidated financial statements referred to in paragraph 9 below, have been audited by us, on which we issued an unmodified audit opinion vide our report dated May 04, 2019. Our audit of these financial statements was conducted in accordance with the Standards on Auditing, as specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting criteria mention in paragraph 5 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the Reporting Criteria. We have performed the following procedures in relation to the Statement:
  - (i) We have inquired into the state of affairs of the Company in relation to its audited standalone and consolidated financial statements as at and for the year ended March 31, 2019;
  - (ii) Examined authorization for buyback from the Articles of Association of the Company;





- (iii) Examined that the amount of permissible capital payment for the buy-back as detailed in Annexure A is within permissible limit computed in accordance with section 68(2)(c) of the Act based on the audited standalone and consolidated financial statements of the Company;
- (iv) Examined that the ratio of debt owned by the Company, if any, is not more than twice the capital and its free reserve after such buy-back;
- (v) Examined that all shares for buy-back are fully paid-up;
- (vi) Read the resolutions passed in the meetings of the Board of Directors. We have done no procedures as regard the projections as approved by the Board of Directors and accordingly do not certify the same;
- (vii) Read the Director's declarations for the purpose of buy back and solvency of the Company as detailed in Annexure B;
- (viii) Obtained necessary representations form the management of the Company.

**Opinion**

10. Based on our examination as above, and the information and explanations given to us, in our opinion: -

- (i) the Statement of permissible capital payment towards buyback of equity shares, as stated in Annexure A, is in our view properly determined in accordance with Section 68(2)(c) of the Act; and
- (ii) the Board of Directors, in their meeting held on December 23, 2019, have formed the opinion, as specified in clause (x) of Schedule I of the Regulations, as stated in Annexure B, on reasonable grounds, that the Company will not, having regard to its state of affairs, be rendered insolvent within a period of one year from the passing of board resolution dated December 23, 2019, and from date on which the results of the shareholder's resolution with regard to the proposed buy-back are declared and we are not aware of anything to indicate that the opinion expressed by the Directors in the declaration as to any of the matters mentioned in the declaration is unreasonable in circumstances as at the date of declaration.

**Restriction on Use**

- 11. The certificate is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable them to include it (a) in the explanatory statement to be included in the postal ballot notice to be circulated to the shareholders, (b) in the public announcement to be made to the Shareholders of the Company, (c) in the draft letter of offer and letter of offer to be filed with the Securities and Exchange Board of India, the stock exchanges, the Registrar of Companies as required by the Regulations, the National Securities Depository Limited and the Central Depository Securities (India) Limited, and should not be used by any other person or for any other purpose.
- 12. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.



For **S.R. Batliboi & Associates LLP**

Chartered Accountants

**ICAI Firm Registration Number:** 101049W/E300004

**Sd/**

**per Yogender Seth**

Partner

Membership Number: 094524

UDIN: 19094524AAAAFH7077

Place of Signature: Gurugram

Date: December 23, 2019

**Statement of permissible capital payment**

**(Annexure A)**

Computation of amount of permissible capital payment towards buyback of equity shares in accordance with section 68(2)(c) of the Companies Act, 2013 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ("**the Regulations**"), based on audited standalone and consolidated financial statements of the Company as at and for the year ended March 31, 2019.

<b>Particulars</b>	<b>Standalone (Rs. in Mn.)</b>	<b>Consolidated (Rs. in Mn)</b>
Paid-up Equity Share Capital (A) (61,783,874 Equity Shares of Rs. 10 each)	618	618
Free Reserves*		
Retained earnings	13,575	18,018
Securities Premium	614	614
General reserve	1,873	2,306
Total Free Reserves (B)	16,062	20,938
Total (A + B)	16,680	21,556
Maximum amount permissible for the buyback i.e. 25% of total paid-up equity share capital and free reserves#	4,170	5,389
Amount approved by Board of Directors dated December 23, 2019 subject to approval of shareholders by means of a special resolution through postal ballot	3,375	3,375



# As per the provisions of Section 68(2) (c) of the Companies Act, 2013, the maximum amount permissible for the buy back of equity shares of the Company is twenty five percent or less of the aggregate of paid capital and free reserves of the Company.

\*As per Companies Act, 2013 Section 2(43) definition of "free reserves" means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as dividend, provided that—

- (i) any amount representing unrealised gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or
- (ii) any change in carrying amount of an asset or of a liability recognised in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves;

<b>Signature</b>	<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>Name</b>	<b>Hari Gopalakrishnan</b>	<b>Kirti Ram Hariharan</b>	<b>Ajay Kalra</b>
<b>Designation</b>	<b>Non-Executive Director</b>	<b>Non-Executive Director</b>	<b>Chief Financial Officer</b>
<b>DIN/PAN</b>	<b>03289463</b>	<b>01785506</b>	<b>AASPK6529J</b>

**Date: December 23, 2019**

**Place: Gurugram**

#### **Declaration of the Board of Directors**

**(Annexure B)**

It is hereby declared that the Board of Directors has made full enquiry into the affairs and offer document of the Company and after taking into account the financial position of the Company including the projections and also considering all contingent liabilities, the Board has formed an opinion:

1. That there are no defaults subsisting in the repayment of deposits, interest payment thereon or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
2. That immediately following the date of the board meeting as well as the date on which the results of the postal ballot approving the proposed Buyback will be announced, there will be no grounds on which the Company could be found to be unable to pay its debts.
3. As regards to the Company's prospects for the year immediately following the date of the Board meeting as well as the date on which the results of the postal ballot approving the proposed Buyback will be announced, that having regards to the Board of Directors' intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board of Directors' view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of Board and shareholders' approval.
4. That in forming the opinions for the above purposes, the directors have taken into account the liabilities (including prospective and contingent liabilities) as if the





Company was being wound up under the provisions of the Companies Act, 2013 or the Insolvency and Bankruptcy Code, 2016, as amended.

5. That the debt equity ratio of the Company (standalone and consolidated financial statements) after the Buy-back will be within the limit of 2:1 as prescribed under the Act.

The declaration is made and issued under the authority of the Board in terms of the resolution passed at its meeting held on December 23, 2019.

**Signature  
Name**

**Designation**

**DIN**

**Sd/-**

**Hari Gopalakrishnan**

**Non-Executive Director**

**03289463**

**Sd/-**

**Kirti Ram Hariharan**

**Non-Executive Director**

**01785506**

**Date : December 23, 2019**

**Place: Gurugram**

For NIIT Technologies Limited

  
Company Secretary and Legal Counsel

